



NEW YORK
REGIONAL OFFICE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 PEARL STREET, SUITE 20-100
NEW YORK, NY 10004-2616

October 11, 2024

VIA ECF

The Honorable Jessica G.L. Clarke
United States District Court
500 Pearl Street, Room 1040
New York, N.Y. 10007

Re: SEC v. Edelman, et al., 22 Civ. 7892 (JGLC) (S.D.N.Y.)

Dear Judge Clarke:

Pursuant to the Court's October 8, 2024 Docket Order, Plaintiff Securities and Exchange Commission ("SEC") respectfully submits this status update regarding its remaining claims against the three Defendants in this case: Gabriel Edelman ("Edelman") and his two entities, Creative Advancement LLC and Edelman Blockchain Advisors LLC (collectively, "Defendants").

The SEC filed this case on September 15, 2022, charging Defendants with securities fraud for engaging in a Ponzi-like investment scheme involving certain digital assets. (DE 1.) On July 25, 2023, this Court unsealed an indictment against Defendant Edelman in a related criminal case brought by the United States Attorney for the Southern District of New York, *United States v. Edelman*, 22-cr-626-JGLC (S.D.N.Y.) (the "Criminal Case").

The SEC and Defendants subsequently reached agreement on a partial settlement of the SEC's claims in this case and, on April 11, 2024, the Court entered partial consent judgments against Defendants (DE 45, 46, 47) (the "Consent Judgments"). The Consent Judgments resolve the SEC's claims for non-monetary relief but leave open for later resolution—on motion by the SEC or through further settlement—the SEC's claims for monetary relief. (*Id.* ¶ III.) The SEC anticipates that the parties will attempt to negotiate a resolution of the monetary relief the SEC seeks upon resolution of the Criminal Case. Accordingly, we respectfully propose that the SEC submit a further status report within thirty days of resolution of the Criminal Case.

Respectfully submitted,

/s/ Jack Kaufman

Jack Kaufman

Co-Regional Trial Counsel

SEC Division of Enforcement

cc: Gregory Morvillo, Esq. (by email)¹

¹ Mr. Morvillo has not appeared in this case but has acted in a limited capacity on Defendants' behalf in settlement discussions with the SEC.